



### Planning Commission Study Session

TO: PLANNING COMMISSION

FROM: SYDNEY BETHEL, PLANNER II

(480) 503-6721, SYDNEY.BETHEL@GILBERTAZ.GOV

THROUGH: CATHERINE LORBEER, AICP, PRINCIPAL PLANNER

(480) 503-6016, CATHERINE.LORBEER@GILBERTAZ.GOV

**MEETING DATE: DECEMBER 4, 2019** 

SUBJECT: A. GP19-14, MELROSE COMMERCIAL: REQUEST FOR MINOR

GENERAL PLAN AMENDMENT TO CHANGE THE LAND USE CLASSIFICATION OF APPROX. 5.03 ACRES GENERALLY LOCATED AT THE NORTHEAST CORNER OF VAL VISTA DRIVE AND MELROSE STREET FROM BUSINESS PARK (BP) TO

GENERAL COMMERCIAL (GC).

B. Z19-26, MELROSE COMMERCIAL: REQUEST TO REZONE APPROX. 5.03 ACRES GENERALLY LOCATED AT THE NORTHEAST CORNER OF VAL VISTA DRIVE AND MELROSE STREET FROM BUSINESS PARK (BP) WITH A PLANNED AREA DEVELOPMENT (PAD) OVERLAY TO GENERAL

**COMMERCIAL (GC).** 

STRATEGIC INITIATIVE: Exceptional Built Environment

This project will allow for the development of a vacant property that will provide a commercial service to the community.

#### **RECOMMENDED MOTION**

- A. No motion requested, and
- B. No motion requested.

APPLICANT OWNER

Company: Withey Morris PLC Company: Sandale Investments LC

Name: Adam Baugh

Address: 2525 E. Arizona Biltmore Cir., A-212 Address: 51 N. Eastridge Dr.

Phoenix, AZ 85016 St. George, UT 84790

Phone: (602) 230-0600 Phone: (435) 632-5130

Email: adam@witheymorris.com Email: dalevjones@gmail.com

#### **BACKGROUND/DISCUSSION**

#### History

Date	Description		
August 29, 2006	Town Council approved Z06-55, adopting Ordinance No. 1813,		
	creating the Val Vista & Germann PAD.		
November 9, 2006	Design Review Board approved Mercy Point Professional Village		
	(DR06-100), a 60,942 sf medical office complex that encompassed		
	the subject site and the site to the south across Melrose Street. The		
	portion of the project to the south was completed but the second		
	half of the project on the subject site was never completed.		

#### Overview

The applicant is requesting to change the existing land use classification and zoning for approx. 5 gross acres to allow for a commercial development intended for restaurant and convenience uses. The land use classification is proposed to change from Business Park (BP) to General Commercial (GC) and the existing zoning district is proposed to change from Business Park (BP) with a Planned Area Development (PAD) overlay to General Commercial (GC). The subject site is located at the northwest corner of Val Vista Drive and Melrose Street.

**Surrounding Land Use & Zoning Designations:** 

	Existing Land Use Classification	<b>Existing Zoning</b>	<b>Existing Use</b>
North	General Office (GO)	General Office (GO) with PAD overlay	Vacant
South	Business Park (BP)	Business Park (BP) with PAD overlay	Mercy Point Medical Center
East	Business Park (BP)	Business Park (BP) with PAD overlay	Vacant
West	Regional Commercial (RC)	Regional Commercial (RC)	Val Vista Drive then Quick Trip and Vacant
Site	Business Park (BP)	Business Park (BP) with PAD overlay	Vacant

#### **General Plan**

The General Plan classifies the property as Business Park (BP), which designates areas for office and light industrial uses, including high technology and research and development firms. The

applicant is proposing to change the land use classification from Business Park (BP) to General Commercial (GC), which designates areas for freestanding retail, office and commercial uses that may be developed as individual projects or as a mixed-use development. The minor General Plan amendment has been requested to align the subject site's land use designation with the proposed zoning district of General Commercial (GC) to allow for the development of a commercial center.

The site is also located within the Val Vista Medical Growth Area. The Mercy Gilbert Medical Center that was constructed in 2006 and has spurred growth in the medical office, medical research and rehabilitation/care facilities within the area. Per the General Plan, the Town anticipates that this area will continue to grow with medical office, general office and business park land uses supported by mixed-use, commercial and hospitality uses.

Gilbert's Growth Areas are focused on economic sustainability and therefore concentrated in employment and commerce centers that the Town wishes to expand. The developments within the Growth Areas should integrate a variety of employment options supported by a mixture of land uses but each Growth Area has been identified to support specific types of uses that are appropriate to the area and its needs.

In the case of the subject site, the Val Vista Medical Growth area is focused on medical and office uses. Over 50 acres of existing undeveloped commercially designated land is located within the direct vicinity of the proposed project. Since commercial is intended to be a supportive use as opposed to a primary use within this specific area, staff is still exploring if more commercial is appropriate for the area.

The applicant believes that the project is supported by the goals, polices, and objectives of the General Plan for the flowing reasons (applicant notes in *italics*):

- Demand has grown for adjacent commercial uses to support the medical campus and BP zoned areas.
- Updating the General Plan will expand the available opportunities on this site to support the adjacent medical corridor and employment area.

#### Rezoning

The applicant is requesting to change the existing zoning from Business Park (BP) with a PAD overlay to a conventional zoning of General Commercial (GC). Per the applicant, the proposed uses for the site are restaurants and a fueling facility. The applicant has provided a conceptual site plan for reference only in which they are proposing two (2) restaurants with drive-throughs and a fueling facility with a convenience store. Within the BP zoning district, restaurants are permitted but they cannot front onto an arterial street and they are not permitted to have a drive through. Traditional fueling facilities and convenience stores are also not permitted within the BP zoning district. Due to the restrictions on the proposed uses the applicant would like to implement, they have requested to rezone to the BP zoning district, which permits both proposed uses with no additional limitations.

**Project Data Table** 

Site Development Regulations	Required per LDC (BP) and Ord. No. 1813	Proposed General Commercial (GC)
Maximum Height (ft.)/Stories	35'/ 2 Stories	45'
Minimum Building Setbacks		
(ft.)		
Front	25'	25'
Side (Street)	20'	20'
Side (Nonresidential)	0' (Employment)	20'
Rear (Nonresidential)	0' (Employment)	20'
Minimum Required Perimeter		
Landscape Area (ft.)		
Front	25'	25'
Side (Street)	20'	20'
Side (Nonresidential)	5' (Employment)	20'
Rear (Nonresidential)	5' (Employment)	20'

The applicant believes that the existing zoning pattern within the area indicates there is a tremendous supply of employment zoning in the immediate area and their request for a rezoning of 5 acres would not disrupt or impact future employment uses. The applicant completed an Area Employment Inventory and Analysis Study to support their findings. Below the study area for their analysis is provided in figure 1, and in figure 2 their breakdown of employment uses in the immediate area of the subject site is provided.

Figure 1. Area Employment Inventory and Analysis Study Area (Applicant Provided)



<sup>\*</sup>The item labeled "RC (Pending)" is an active application (Z19-13 Mercy Val Vista Center) but it does not correctly depict the requested change, nor has it received any approvals. The adjacent 11 gross acre site is still zoned General Office.

Figure 2. Area Employment Inventory and Analysis (Applicant Provided)

#### Office and Employment (233 acres or 49.4% of total area)

Business Park: 124 acresNeighborhood Office: 15 acresGeneral Office: 94 Acres

#### Public Facility/Institutional (144 acres or 30.6% of total area)

Mercy Gilbert: 59 acresGilbert School District: 65 acres

Gilbert School District: 65 acresADOT Property: 20 acres

#### Commercial (94 acres of 20% of total area)

• Regional Commercial: 74 acres

• Shopping Center: 9 acres

• Community Commercial: 11 acres

Total: 471 Acres

The Val Vista Medical Growth Area has continued to experience steady growth over time but still contains a substantial amount of vacant parcels. As the area continues to develop, it is the Town's vision that the area develop with medical office, general office and business park land uses supported by mixed-use, commercial and hospitality uses. Commercial is a component of the vision of the area in order to provide uses that support the medical and office developments but the focus is on maintenance of the employment generating land uses in this area. It is important for staff to support the vision for the area as it continues to develop and get closer to build out.

As shown in figure 3, the Town overall has a greater availability of vacant commercially zoned land opposed to vacant office zoned land. Although the impact on the overall zoning distribution would be minimal if this project is approved, staff is exploring the long-term impact this zoning change would have on the immediate area.

**Figure 3.** Zoning Distribution by Acres (excluding R.O.W)

Zoning By General Category	Non Vacant	Vacant	Total Acres	Total Percent of Town (excluding R.O.W)
Commercial	3,703	795	4,498	18.8%
Industrial	1,104	132	1,236	5.2%
Office	1,021	117	1,138	4.8%
Public	2,848	416	3,264	13.7%
Multi Family	890	67	957	4%
Single Family	11,426	1,380	12,806	53.5%
Total	20,992	2,907	23,899	

Source: TOG Report Center Accessed: November 20, 2019

#### PUBLIC NOTIFICATION AND INPUT

A neighborhood meeting was held on January 14, 2019 at Quartz Hill Elementary School. No residents attended the meeting.

#### **PROPOSITION 207**

An agreement to "Waive Claims for Diminution in Value" pursuant to A.R.S. § 12-1134 was signed by the landowners of the subject site, in conformance with Section 5.201 of the Town of Gilbert Land Development Code. This waiver is located in the case file.

#### **STAFF RECOMMENDATION**

- A. Staff requests Planning Commission input; and
- B. Staff requests Planning Commission input.

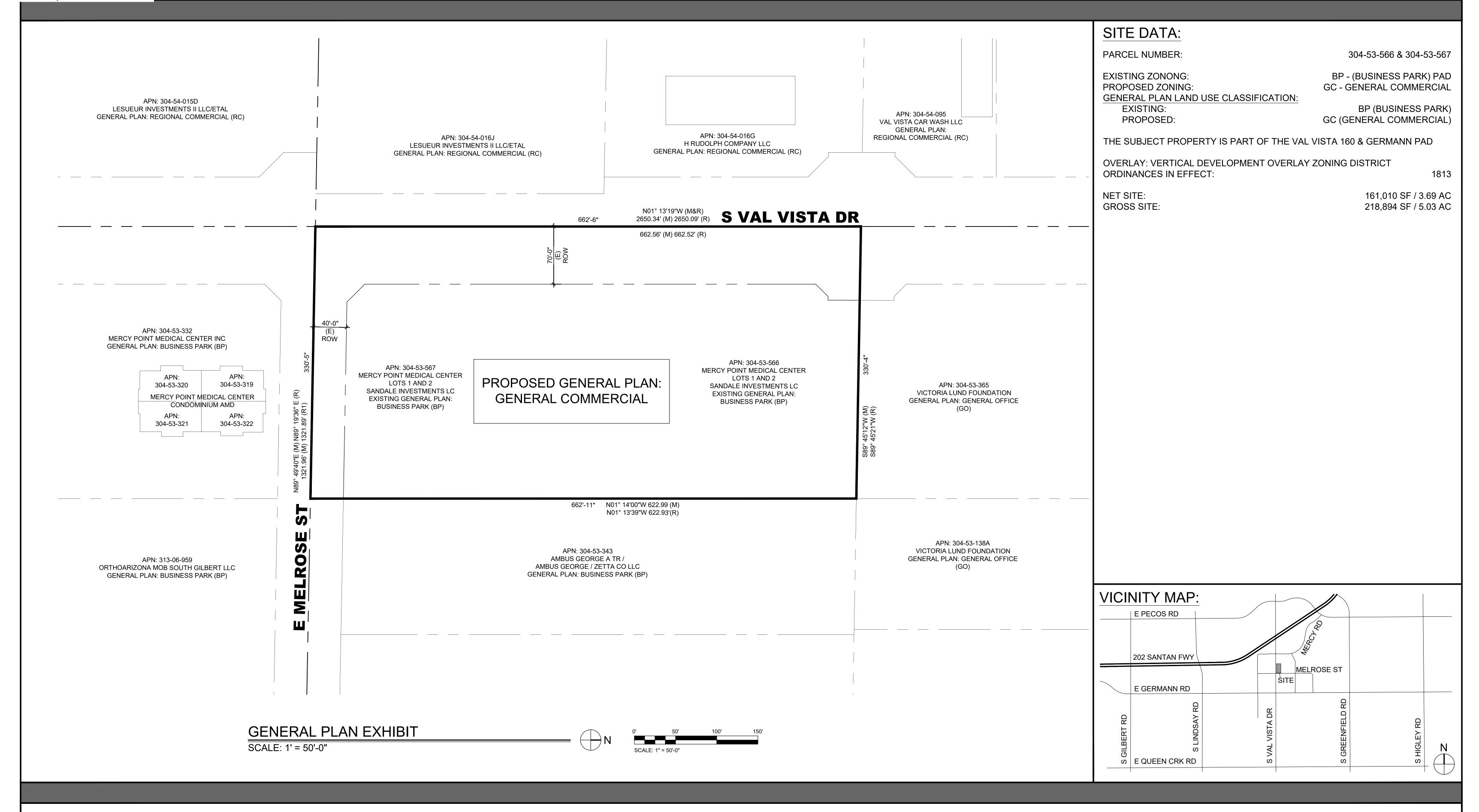
Respectfully submitted,

Sydney Bethel Planner II

#### **Attachments and Enclosures:**

- 1) Aerial Photo
- 2) Land Use Exhibit
- 3) Zoning Exhibit
- 4) General Plan Growth Areas Map
- 5) Site Plan (For Reference Only)
- 6) Letters of Support

GP19-14, Z19-26 Melrose Commercial Attachment 1: Aerial Photo **December 4, 2019** BP G0 Subject Site RC RC CC





### GENERAL PLAN EXHIBIT

NEC S. Val Vista Dr. and E. Melrose St.

Gilbert, AZ

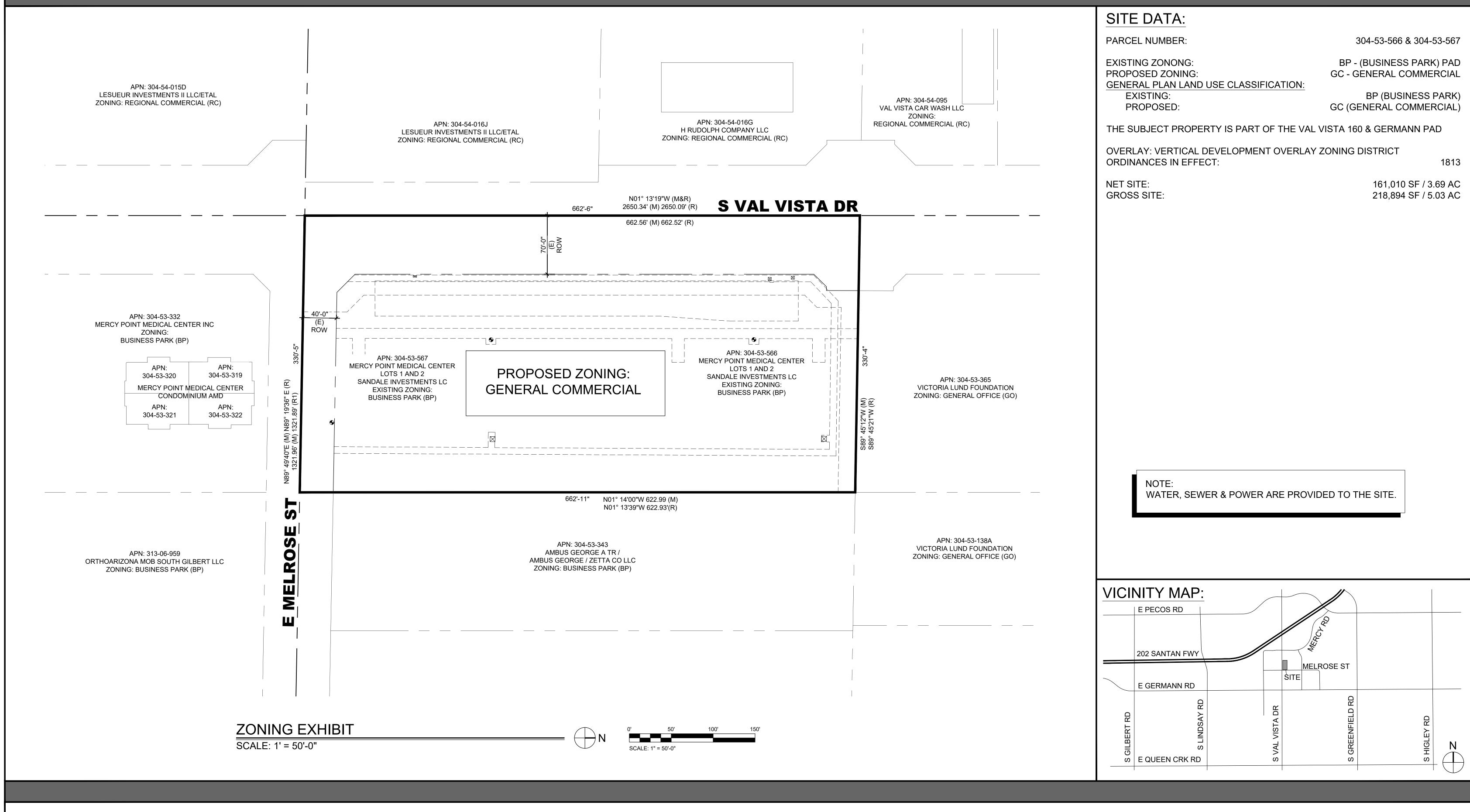
07.29.2019

PROJECT NO.: 18085





4650 E. Cotton Center Boulevard Phoenix, AZ 85040 602.395.1000 www.verticaldesignstudios.com





## **ZONING EXHIBIT**

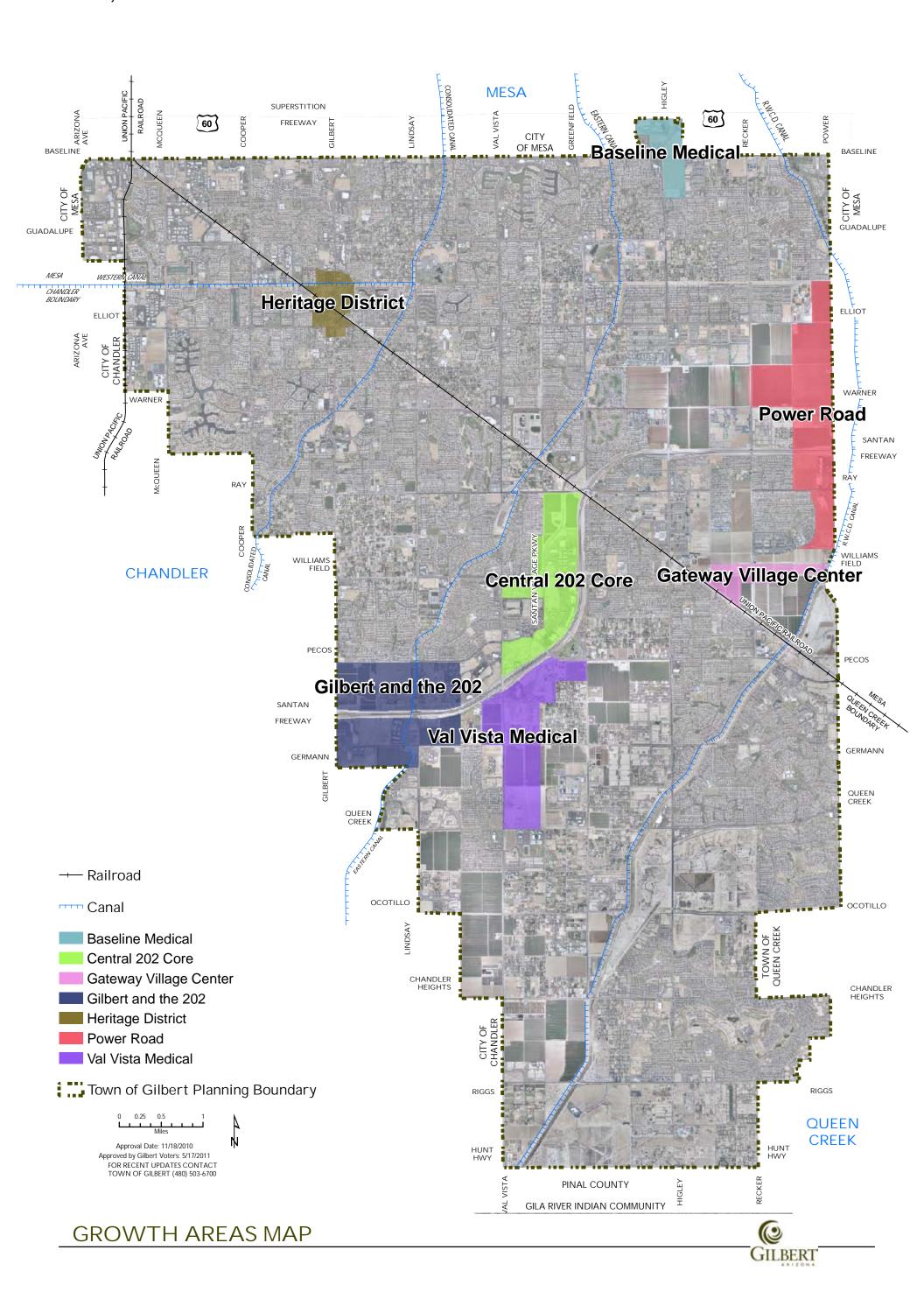
NEC S. Val Vista Dr. and E. Melrose St.
Gilbert, AZ

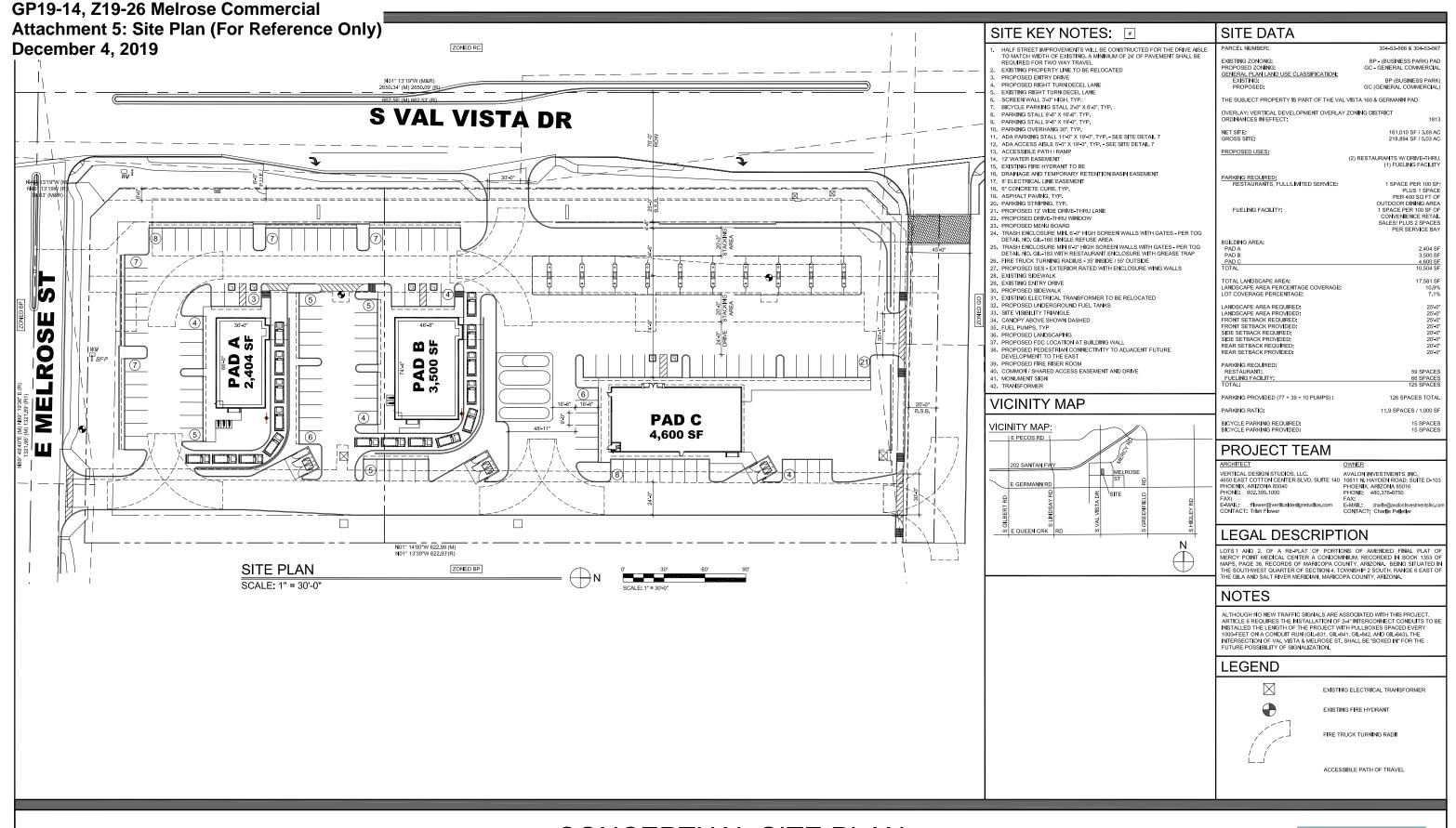
07.29.2019
PROJECT NO.: 18085





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3757 South Val Vista Dr. (NEC S. Val Vista Dr. and E. Melrose St.) Gilbert, AZ

PROJECT NO.: 18085



4650 E. Cotton Center Boulevard Phoenix, AZ 85040 602.395.1000 www.verticaldesignstudios.com



# GP19-14, Z19-26 Melrose Commercial Attachment 6: Letters of Support December 4, 2019



#### **MEMO**

TO: Town Council

FROM: Gilbert Chamber Board of Directors

DATE: November 21, 2019

RE: Melrose Commercial (NEC Val Vista/Melrose)

The Gilbert Chamber of Commerce Public Policy committee and Board of Directors has reviewed this project that will come before you after the first of the year. The request is to make a minor change within the current Business Park zoning designation to General Commercial. By doing so this 5.3 acres would develop a retail component consisting of a fuel facility and two restaurants.

Due to traffic patterns, having these options on the east side of the road will assist those heading north towards the freeway and will also provide easy access to services for those employees within the area.

The Gilbert Chamber of Commerce Board of Directors supports this request. Please contact Kathy Tilque if you have any questions at 480-892-1103.

August 16, 2019

Town of Gilbert 90 E Civic Center Drive Gilbert, Arizona 85296

Re: Melrose Commercial – Support Letter

To Whom It May Concern

I am the developer of the Sonoran Spine office located on the 2.4-acre property on Rome Street, north of Melrose Street in Gilbert with land acquisition scheduled for August 26, 2019. I had a chance to meet with the development team and review their proposal for commercial uses at Melrose and Val Vista Drive and I support this rezone request. As an office developer, we want opportunities where employees and patients have access to nearby dining and retail opportunities during lunch breaks and between visits. It is the ideal way to support a workforce area and it is convenient to have one close by. We welcome this proposal and hope the town will support the rezone request.

Sincerely

Colin Brown

Principal/Owner

WHITEBOARD DEVELOPMENT CO.



August 7, 2019

Town of Gilbert 90 East Civic Center Drive Gilbert, Arizona 85296

Re: Support for "Melrose Commercial"

To Whom it May Concern,

This letter is to express our support of Melrose Commercial that is proposed at the northeast corner of South Val Vista Drive and East Melrose Street in Gilbert. BB Living Residential (dba BB Val Vista, LLC) is the developer and owner of the 217-townhome community currently under construction at the northeast corner of South Rome Street and East Germann Road known as BB Living at Val Vista. We are one of the largest owners within this Val Vista Growth Area.

We think Melrose Commercial is the perfect addition to this area. Our residents will appreciate having convenient and supportive commercial uses nearby. The fact that it is on South Val Vista Drive is ideal since it is within the immediate area without necessarily being next door. Commercial opportunities like this strike the right balance between the burgeoning employment, high density residential, and commercial activity of the area. We appreciate the developer's efforts to build quality commercial/retail that enhances the overall offering of the area and welcome their proposed development. We support the rezoning of this property and that you will approve this case.

Sincerely,

President

**BB** Living Residential

Sydney Bethel Town of Gilbert 90 E. Civic Center Drive Gilbert, AZ 85296

> Re: Support for Melrose Commercial Northeast corner of Val Vista Drive and Melrose Street

Dear Sydney,

I want to express my support for the Melrose Commercial development proposed at the northeast corner of Melrose Street and Val Vista Drive in Gilbert. This development is adjacent to, and directly south, of my property in Gilbert. I reviewed their development plans and support their application for a commercial zone change. Like my property, their site fronts a busy arterial road which makes it both compatible and appropriate. I believe it will be a benefit to the larger area and will help provide commercial support and services for employees at the hospital and nearby offices. It will be a benefit to Gilbert, and I support this proposal.

Sincerely,

Sheery Sewal
Victoria Lund Foundation

August 6, 2019

Sydney Bethel Town of Gilbert 90 E Civic Center Drive Gilbert, Arizona 85296

Re: Support for "Melrose Commercial"

Northeast Corner of Val Vista Drive and Melrose Street, Gilbert, AZ

Dear Ms. Bethel:

Melrose Partners, LLC owns approximately 26.7 acres of land in the Val Vista Medical Growth Area. We are perhaps the largest landowner besides the hospital campus and have a critical stake in the development that occurs in this area. For this reason, it is important we express our support for the rezone case proposed at the northeast corner of Val Vista Drive and Melrose Street.

This employment area needs support retail and dining services in closer proximity, and naturally, it makes perfect sense for this to be located along Val Vista Drive. Employees in this area desire quick access to services and amenities on their lunch breaks. There are minimal options nearby without crossing into the crowded San Tan Mall area north of the 202 Freeway.

All strong employment areas should be buoyed by adjacent retail and dining that can support the workforce. For these reasons, Melrose Partners LLC supports this rezone case.

Sincerely,

Melrose Partners, LLC

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